

CHAPTER 232

H.B. No. 485

AN ACT

relating to the ad valorem taxation of the intangible property of certain transportation businesses and to the application of certain occupation taxes to those businesses.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Section 24.01, Tax Code, is amended to read as follows:

Sec. 24.01. APPRAISAL BY STATE PROPERTY TAX BOARD. The State Property Tax Board shall appraise for taxation the intangible value of the transportation operation in this state of the following businesses:

- (1) railroads;
- (2) toll roads, toll bridges, and ferries; *and*
- (3) ~~[motor bus carriers subject to regulation by the railroad commission;~~
- ~~[(4) common or contract motor carriers subject to regulation by the railroad commission; and~~
- [(5)] oil pipelines and common carrier pipelines engaged in the transportation of oil.

SECTION 2. Title 25, Revised Statutes, is amended by adding Article 911k to read as follows:

*Art. 911k. MOTOR CARRIERS EXEMPT FROM GROSS RECEIPTS TAXES. A motor bus carrier or common or contract motor carrier subject to regulation by the railroad commission is exempt from any occupation tax measured by gross receipts imposed by any law of this state.*

SECTION 3. The change in law made by this Act does not apply to:

- (1) the appraisal or allocation of property omitted from taxation in a tax year beginning before the year in which this Act takes effect and the taxation of that property for that year; or
- (2) the collection and enforcement of ad valorem taxes imposed in a tax year beginning before the year in which this Act takes effect.

SECTION 4. If adopted by a vote of two-thirds of all members elected to each house of the legislature, this Act takes effect on the earliest date on which this Act may take effect under Article III, Section 39, of the Texas Constitution, and applies to taxes imposed in 1987. Otherwise, this Act takes effect January 1, 1988.

SECTION 5. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force according to its terms, and it is so enacted.

Passed by the House on May 7, 1987, by the following vote: Yeas 126, Nays 2, 1 present, not voting. Passed by the Senate on May 21, 1987, by the following vote: Yeas 30, Nays 0.

Approved May 28, 1987.

Effective May 28, 1987.